(c) the source of gas to fulfil the requirements of various States, including West Bengal, Jharkhand and Bihar, through which the proposed pipelines are supposed to traverse?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) Yes, Sir. Government has issued authorizations to GAIL (India) Limited for laying 5 new natural gas pipelines in the country, including the 876 km long Jagdishpur-Haldia pipeline.

(b) The project has to be completed within 36 months from the start of the project, *i.e.*, from the date of first notification under sub-section (1) of Section 3 of the Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962. The work has not been awarded.

(c) Jagdishpur-Haldia pipeline will have a provision for bi-directional flow. The sources of gas indicated for the pipeline are Liquefied Natural Gas (LNG) imported by Petronet LNG Limited and Hazira LNG Limited, and indigenous gas, including from the offshore fields of Reliance Industries Limited (RIL) in Krishna-Godavari basin.

Payment of taxes by foreign companies in India

*74. SHRI M.V. MYSURA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that foreign companies are not paying Capital Gains Tax in India for their property and share holding gains;

(b) if so, whether it is also a fact that they are not paying tax, on the above gains, even to their own countries; and

(c) if so, what is the revenue loss to Government on account of these foreign companies, which have claimed exemption in both India and in their own countries?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Foreign companies are not required to pay tax in India on capital gains arising from transfer of property or shares if they are resident of the countries with whom India's Double Taxation Avoidance Agreement provides for residence based taxation of such gains. This means that the gains are taxable in the country in which the foreign company is resident.

(b) The tax liability of a foreign company on capital gains in its country of residence depends on the domestic law of that country.

(c) It is not possible to quantify the revenue loss to the Government on account of the companies which have claimed exemption from tax on capital gains in India as well as in their respective countries as the relevant data is not available.

Availability of newspapers at airports during flight

*75. SHRI MAHENDRA MOHAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are aware that some passengers were offloaded from a private airline flight recently because they had required for a Hindi Newspaper in the aircraft;

(b) if so, whether Government propose to take or have taken action against the airlines for insulting the National Language;

(c) how many newspapers/dailies have been prescribed for the passengers in the waiting lounges at different airports in the country, paper-wise, language-wise and airport-wise;

(d) whether the Ministry has devised any criteria for subscription of regional dailies for the passengers in the aircrafts; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) An incident has been reported where a passenger scheduled to travel on Kingfisher airlines flight IT-308 from Delhi to Mumbai on 25.10.2007 had asked for a copy of the "Navbharat Times" from a lady ground staff of the airlines. On being informed that only English version of the Times was available, the passenger got agitated and abusive. Since he was reportedly under the influence of alcohol, the airline did not allow him to travel. Two passengers who were accompanying him were also off loaded as they did not want to travel without him.

(c) There are no criteria prescribed for providing newspapers in the airport lounges. However, at Indira Gandhi International Airport (IGI), Hindi Newspapers Hindustan, Navbharat, Dainik Jagran, Amar Ujala, Jansatta , Dainik Bhasker, Sahara are available in the waiting lounges, apart from English newspapers.

(d) and (e) No, Sir, Discretion of providing newspapers on board the aircraft lies with the concerned airlines. Government does not regulate subcription of regional dailies for the passengers in the aircraft. However, National Carrier does carry Hindi and Regional language newspapers and magazines.

Spurt in stock market index

*76. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken note of the recent spurt of stock market index due to abnormal flow of foreign capital in the Indian market;

(b) if so, the extent of foreign investment received in the country during the last three months ending 31/10/07 and the percentage thereof in the form of Participatory Notes; and

(c) the steps proposed to be taken by Government to ensure stability of the stock market and the protection of the small investors in investments in private equity?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The movement in stock market indices is a function of the perceptions of investors—domestic and overseas, retail and institutional—about the economy, the sector and the company. This perception is influenced by many factors including the macro-economic environment, growth potential of the economy, corporate performance, domestic and international events, and market sentiments. Taking into account the turnover of Foreign Institutional Investors from October 2006 to October 2007 *vis-a-vis* the total turnover, an analysis done by SEBI reveals that there appears to be no casual relationship between foreign institutional investment and changes in the stock market index.

(b) Foreign investments by SEBI registered Foreign Institutional Investors during the last three months with the share of participatory notes (PNs) is as below:

Figures at the end of month of	Figures reported in the month of	No. of FIIs issuing PNs	Assets Under Management of FIIs (Rs. Cr.)	National Value of Underlying Indian securities against which PNs have been issued (Rs. Cr.)	B as % of A
			A	B	
July-07	August-07	28	709,800	350,026	49.3%
August-07	September-07	27	685,636	353,484	51.6%
September-07	October-07	28	799,725	439,696	55.00%